United Nations

A/C.2/63/SR.14

General Assembly
Sixty-third session

Official Records

Distr.: General
3 December 2008

Original: English

Second Committee

Summary record of the 14th meeting
Held at Headquarters, New York, on Wednesday, 22 October 2008, at 10 a.m.

Chairperson: Ms. Ogwu (Chairperson) ..... (Nigeria)
later: Mr. Torrington (Vice-Chairperson) ..... (Guyana)
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08-56378 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 53: Eradication of poverty and other development issues

(a) Implementation of the second United Nations Decade for the Eradication of Poverty (2008-2017) (A/63/159 and A/63/190)

(b) Industrial development cooperation (A/63/309)

1. **Ms. Stamatopoulou** (Acting Director, Division for Social Policy and Development, Department of Economic and Social Affairs) introduced the reports of the Secretary-General on the role of microcredit and microfinance in the eradication of poverty (A/63/159) and on the implementation of the second United Nations Decade for the Eradication of Poverty (2008-2017) (A/63/190).

2. **Mr. Yumkella** (Director-General, United Nations Industrial Development Organization) introduced the report of the United Nations Industrial Development Organization (UNIDO), which highlighted current trends in the performance of developing countries, while underlining the critical role of industrial development and private sector-led economic growth for poverty reduction, with a view to preventing further marginalization and disenfranchisement of the poor.

3. **Mr. Lorenzo** (Dominican Republic) said that needs assessment reports and poverty reduction strategy papers (PRSPs) were of crucial importance to developing countries, especially the Dominican Republic, which was a pilot country for the United Nations Public-Private Alliance for Rural Development. The preparation of his country's Millennium Development Goal needs assessment report had helped his country to address major development issues, such as lack of capacity.

4. Needs varied even within countries; it was therefore important for national goals to translate into local realities. He wondered what impact soaring oil prices might have on the ability of developing countries to achieve the Millennium Development Goals, and to what extent a needs assessment report, as a concrete plan of action, was crucial to establishing a realistic national poverty reduction strategy.

5. **Mr. Yumkella** (Director-General, United Nations Industrial Development Organization) said that the oil and food crises were indeed wreaking fiscal havoc throughout the world. The World Bank and the United Nations were currently monitoring the situation of around two dozen extremely vulnerable countries, most of which were also considered politically fragile and were therefore a source of growing concern. Not only did such countries face serious balance of payments and inflation problems, but their Governments were also being forced to make difficult decisions on such issues as the appropriateness and feasibility of providing fuel subsidies to their people.

6. Another major consequence of high oil and food prices was lack of predictability, as developing countries found it increasingly challenging to plan for the future, including with regard to achievement of the Goals.

7. The situation remained difficult; he nevertheless applauded efforts by the United Nations System Chief Executives Board for Coordination and the World Bank, which would be meeting in the near future in order to prepare a joint response to crises-related issues. In any case, it was crucial to recognize that the social agenda and the economic growth agenda were intertwined and should not be dealt with separately.

8. **Ms. Greenaway** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the international community should scale up and coalesce efforts aimed at eradicating poverty. In particular, concerted efforts should be made to build on the lessons learned from the First United Nations Decade for the Eradication of Poverty by specifically targeting gender equality and the empowerment and participation of women and all disadvantaged groups; investing in science and technology for social and economic development and enhancing access of the poor to technology; investing in agriculture for development; developing human resources through education and training; promoting employment, job creation and decent work; and aligning official development assistance (ODA) with the Goal of eradicating extreme poverty and its corresponding targets, in accordance with national plans and priorities.

9. The United Nations development system should ensure that poverty eradication was accorded highest priority in its work programmes. The United Nations system should harness the potential of existing coherence and cooperation mechanisms to design more holistic and integrated approaches to implementing the Second Decade. She welcomed the Secretary-General's

recommendation concerning a pragmatic plan of action in support of the Second Decade (A/63/190, para. 54); such a plan of action should include the points she had just mentioned.

10. In conclusion, the Group of 77 and China wished to stress the essential role of sustainable industrial development as well as industrial development cooperation for the achievement of the internationally agreed development goals, including the Millennium Development Goals.

11. **Mr. Delacroix** (France), speaking on behalf of the European Union; the candidate countries Croatia and Turkey; the stabilization and association process countries Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, the Republic of Moldova, said that eradicating poverty was a prerequisite for sustainable development, requiring not only a tailored approach to countries' specific needs, but also global, coordinated solutions by multilateral stakeholders. The European Union had adopted and implemented a number of decisions to fight poverty in developing countries and was committed to continuing such efforts in the years ahead.

12. The Chief Executives Board would play a crucial coordinating role in the implementation of the second United Nations Decade for the Eradication of Poverty. The "Delivering as One" initiative should be further developed in order to continue strengthening coherence at local and central levels. A coordinated approach was all the more important as poverty went hand in hand with other issues, such as access to health, gender equality and, most importantly, human rights.

13. The European Union continued to support efforts towards expanding access of the poor to formal financial services. In that connection, it welcomed the efforts of the United Nations Advisers Group on Inclusive Financial Sectors and noted the importance of strengthening domestic financial sectors, as emphasized at the High-level Meeting on Africa's Development Needs. The European Union was also committed to promoting the creation of financial and information standards to increase the transparency of microfinance institutions and to improve regulatory frameworks and microfinance-related policies. He stressed the need for innovative approaches to inclusive finance and applauded efforts by microfinance institutions to diversify their selection of financial services in order to combat poverty.

14. The UNIDO approach of reducing poverty through productive activities that promoted cleaner and more efficient use of energy in industry, was laudable and should complement rural and agricultural development initiatives. It also supported an integrated approach to development, focusing on partnership, and welcomed cooperation between UNIDO and the New Partnership for Africa's Development and with the African Union on its Action Plan for the Accelerated Industrial Development of Africa.

15. **Ms. Wahab** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN) said that, despite some progress, the size and complexity of the challenge to eradicate poverty had increased. An approach based on mutual interests should be encouraged, making the most of actors' strengths and establishing shared responsibility for the efficient functioning of the global economy. The international community should assist national and regional efforts by creating a global economic environment that supported pro-poor growth with special emphasis on decent work for all and the expansion of small and medium-sized enterprises through the availability of microcredit. Poverty had declined sharply in the ASEAN countries, which had understood that achieving the Millennium Development Goals was not an end in itself, but rather a necessary step in the region's continuing efforts to promote rural development and address such issues as poverty, climate change, the food crisis and natural disasters.

16. Industrial development would bring structural changes, placing the economies of poor countries on the road to economic growth. In 1996, ASEAN had introduced an industrial cooperation scheme, based on preferential tariffs, to encourage cross-border resource-sharing and integrated production. The ASEAN Vision 2020, adopted in 1997, promoted equitable economic development, and the reduction of poverty and economic disparities in the region; initiatives were currently under way in the areas of infrastructure, human resource development, information and communication technology, and regional economic integration.

17. The developed countries had not made much progress in honouring their pledges to provide 0.7 per cent of their gross national income (GNI) as ODA to developing countries and 0.15 to 0.2 per cent to the least developed countries, solve the debt problems of

developing countries, transfer technology and reform the international financial architecture. Poverty eradication and the achievement of the Millennium Development Goals was a shared responsibility and should be implemented by the developed countries through transparent and accountable actions.

18. **Mr. Muita** (Kenya), speaking on behalf of the Group of African States, said that eradicating poverty was a precondition for sustainable development; however, despite some improvement, progress to that end was slow in sub-Saharan Africa, compared to other developing regions. A better understanding of the nature and range of the deep-rooted obstacles to the poverty reduction efforts of developing countries was needed. National development strategies must be broad and inclusive and take a holistic approach to the problem of poverty.

19. The Second Committee should ensure that the Second Decade reinforced global alliances for development by designing innovative policies based on new realities. A clear focus and direction that emphasized the special needs of Africa and the importance of decent work and stronger mechanisms to monitor progress towards the achievement of the internationally agreed development goals, including the Millennium Development Goals would be key to the success of the Decade. The African Group was concerned that the current economic crisis and the escalating cost of food and energy would have a greater negative effect on Africa than on other regions, undermining its ability to achieve the MDGs and other internationally agreed development goals. Consequently, while the developed countries were addressing the current crises at the domestic level, efforts should also be made to protect developing countries from the adverse impacts.

20. Africa was the region that benefited the least from the relocation of the manufacturing industry to developing countries. In most countries in sub-Saharan Africa, the share of manufacturing in gross national product (GNP) was too low to sustain meaningful development and, thus, poverty eradication. With support from its international development partners, industrial development could transform Africa and poor countries in other parts of the world but it would take political will and commitment at both the national and the international level to overcome existing obstacles.

21. The Second Decade should support the internationally agreed development goals relating to poverty eradication in an efficient and coordinated manner. Eradicating poverty was a collective responsibility, since poverty anywhere was a threat to peace, security and prosperity everywhere.

22. **Ms. Bai** Yongjie (China) said that the eradication of poverty and freedom from want were preconditions for the progress of society as a whole. The First United Nations Decade for the Eradication of Poverty had made some headway in raising awareness about the issue of poverty and formulating poverty reduction strategies. The key issue now was how to achieve the poverty eradication targets of the first Millennium Development Goal in the current economic environment, complicated by the food and energy crisis and the impacts of climate change. Consequently, the Second Decade should focus on poor populations in time of crisis and on promoting poverty eradication.

23. The international community needed to work together to mobilize resources and establish an international environment favourable to poverty eradication, through economic growth and employment creation. Developing countries should formulate appropriate poverty reduction strategies and promote economic development, while mobilizing the contributions of all sectors of society. Developed countries must honour their commitments to provide funds and other forms of assistance, and the United Nations should play a leading and coordinating role, and identify specific mechanisms to promote, finance and monitor the implementation of the Second United Nations Decade for the Eradication of Poverty.

24. Having already achieved the poverty reduction targets set out in the Millennium Development Goals, China was actively supporting the poverty reduction efforts of other developing countries in the context of South-South cooperation and would soon be taking additional measures to that end. Poverty reduction and better living conditions for the whole population were continuing objectives of her Government, which was ready to work with all other countries and international agencies to create a world without poverty.

25. Industrial development was the driving force for economic growth and wealth creation; however, it was linked to access to energy, the increase of competitiveness of small and medium-sized enterprises and environmental protection and therefore required

support and coordination at all levels. China supported the formulation and implementation by UNIDO of targeted cooperation strategies and programmes, in light of the development priorities and advantages of different regions and countries, in order to strengthen small and medium-sized enterprises in developing countries. It also commended UNIDO for emphasizing greater energy efficiency and environmental protection as important components of sustainable industrial development.

26. **Mr. Mansour** (Tunisia) said that the current crises illustrated the vulnerability of the international trading and financial system, which was not sufficiently inclusive and balanced to manage a global economy that was increasingly complex and interdependent, and was therefore in urgent need of reform. In that context, he questioned whether it was realistic to aspire to halving the number of people living in extreme poverty by 2015. His delegation wholeheartedly supported the Secretary-General's proposal to hold a Millennium Development Goals review conference in 2010, which could provide an opportunity to re-enlist global support.

27. Global responses to crises were characterized by economic, financial and technological inequalities and disparities and their quality and promptness depended on the contradictory interests at play. In the current context, it was not easy to mobilize financial resources for the developing countries, especially the least developed countries that were already finding it difficult to obtain financing. It was therefore appropriate that the General Assembly had been discussing food security, and that an Interactive Panel on the Global Financial Crisis would be held to examine its consequences and propose solutions in relation to the United Nations and its development agenda.

28. The Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus should give fresh impetus to development financing and his delegation supported the proposal to establish a United Nations mechanism to monitor compliance with commitments made under the Consensus. The global development partnership was, above all, a partnership against poverty and its implementation called for multisectoral collaboration. The United Nations must play a leading role in resolving the problems confronting the global economic order, and the array of poverty reduction initiatives showed that the international community was fully aware of the need for collective action. In that context, the World Solidarity Fund set up by the General Assembly was an important initiative. The current crisis gave the Second Decade even more meaning and his delegation supported the Secretary-General's proposal to establish a plan of action to support the Second Decade, which would include substantive work spanning the analytical, normative and operational activities of the United Nations in the area of poverty eradication. In that context, special attention should be paid to the specific needs of Africa.

29. **Mr. Alim** (Bangladesh) said that developing countries had formulated and implemented their national poverty reduction plans with mixed results. National efforts required external support, but ODA continued to decline, debt relief had been insufficient and the international trade regime was far from optimal. Poverty alleviation remained a critical challenge as the number of poor people was increasing rapidly even if, overall, the number of people living in extreme poverty had declined. The situation was exacerbated by the international financial crisis, and soaring food and energy prices; moreover, climate change would greatly increase the number of people at risk of starvation. Bangladesh supported the Secretary-General's recommendation to develop a comprehensive and pragmatic plan of action to support the Second Decade for the Eradication of Poverty, which should set out a programme of substantive activities, identify the roles and mandates of the different United Nations agencies and establish a mechanism to monitor implementation.

30. Microcredit played a huge role in poverty reduction and contributed to sustainable social and economic development. Over the past two decades, microcredit programmes had spread rapidly worldwide, accompanied by the diversification and innovation of financial products and services for the poor; it was estimated that demand for credit would double in the next five years. Microfinance institutions needed to obtain adequate funds to meet the growing demand and development partners should increase their support. Microcredit could also play a major role during the current crises, as microfinance institutions had proved to be insulated from external shocks, possibly because the local credit markets and borrowers were not integrated into the formal international economy.

31. In Bangladesh, the microcredit revolution had started with rural women in the 1970s and grown exponentially. The microcredit market was dominated by non-governmental organizations (NGOs) which, in addition to financing, provided technical assistance in the form of skills training and marketing assistance. The largest NGOs in Bangladesh were now expanding their services to other parts of the world, particularly in post-conflict countries.

32. *Mr. Torrington (Guyana), Vice-Chairperson, took the Chair.*

33. **Mr. Heidt** (United States of America), after reaffirming his delegation's support for the goals set out in the United Nations Millennium Declaration and the prescriptions of the Monterrey Consensus, drew attention to a White House summit on international development the previous day. The summit, which had been attended by the President of Liberia and other high-ranking officials, had focused on the core United States principles for the transformation of international development: country ownership, good governance, results-based programmes and economic growth.

34. United States President George Bush, had noted that the United States, which had provided more foreign assistance over the past eight years than at any time in the past half century, used aid to foster sustainable economic growth, promote good governance and advance a model of true partnership that gave poor nations a real stake in their own development. It encouraged the participation of volunteer organizations, local charities and the faith community, because they offered a compassion that no government could match. Above all, it insisted on accountability in return for its assistance. The President had also urged Congress to ensure that development remained an enduring priority for the United States.

35. Lifting people out of poverty was the cornerstone of economic development. Building on that foundation, the development community had recognized that several elements were essential if development was to succeed. First, responsibility rested ultimately with the country concerned. Government and people must formulate their own objectives and strategies. Secondly, good governance and the rule of law were indispensable; the role of government was to serve the public. Thirdly, private-sector economic growth was the driver of development: family farms and shops, small and medium-sized local firms and internationally competitive corporations created sustained growth, and thus wealth for the country as a whole. Naturally, development could take place only in a stable environment. Efforts must be made to mitigate still further the difficulties faced by countries emerging from conflict so that development could take root.

36. The international community should not be deterred by current problems, whether food and energy insecurity or financial market volatility. The fundamental needs had not changed; each challenge provided opportunities. The United Nations had rightly put the battle to eradicate poverty at the centre of its development agenda. The world was on track to meet the target of halving, by 2015, the proportion of the world's people whose income was less than one dollar a day. The international community should keep before it the example of countries that had successfully lifted themselves out of poverty.

37. *Ms. Ogwu (Nigeria) resumed the Chair.*

38. **Mr. Chabar** (Morocco) said that, at the halfway point, some progress in attaining the MDGs had been made. Nonetheless, 500,000 women died every year during pregnancy or in childbirth, and 39 million people were living with HIV/AIDS. Malaria and tuberculosis continued to kill thousands of children every year, and around 72 million children — 57 per cent of them girls — of school age did not attend school. Extreme poverty continued to affect millions. In addition, the sharp rise in food and fuel prices would seriously impede the attainment of the MDGs. It was estimated that a further 100 million people would be thrown into abject poverty.

39. The African countries were the hardest hit. Despite having undertaken economic and social reform and engaged in good governance, they had not attained sufficient economic growth to break the vicious circle of poverty. Donor countries, meanwhile, had failed to meet their goal of allocating 0.7 per cent of GNI to ODA or to double their aid to Africa, and only a few countries had benefited from debt relief. The trade negotiations of the World Trade Organization (WTO) were still stalled and the commitment to place development at the heart of the negotiations was being neglected, even though the High-level Meetings on Africa's Development Needs and on the High-level Event on the Millennium Development Goals had sent a clear message on the urgent need to forge a global

partnership for development and to honour the various commitments made.

40. In order to meet the 2015 deadline for the MDGs, Morocco had speeded up the process of economic and social development by launching programmes to deal with poverty and exclusion. Budgetary allocations to essential social sectors had been increased substantially, from 39 per cent in 1993 and 47 per cent in 2002 to the current figure of 55 per cent. The National Human Development Initiative launched in 2005, which was aimed at reducing poverty and vulnerability and placing the living conditions of those in poor rural and urban areas on a sounder footing, sought to combat marginalization and seclusion by improving access to services and basic infrastructure for health, education and literacy. It also sought to provide drinking water, to bring electricity to the countryside, to open up remote areas and to combat desertification.

41. Other aspects of the Initiative included job creation, whereby young people were encouraged to set up their own enterprises, and direct assistance for people with specific needs, such as women and children living in difficult conditions or in disadvantaged areas. The Initiative thus placed human development at the heart of government policy by means of a participatory and democratic approach that involved individuals in the development of their community.

42. Over 12,100 projects had been launched between 2005 and 2007 and were currently in progress. Implementation rates exceeded 70 per cent. Another 3,300 projects had been scheduled for 2008. A total of 3 million people — 10 per cent of the population — benefited from such projects, which had been largely instrumental in reducing poverty — as defined by the World Bank — from 15.3 per cent in 2001 to 9 per cent in 2007. The level of access to drinking water had also risen significantly. It would be available to 92 per cent of the population by about 2010. Considerable progress had also been made in bringing electricity to the countryside.

43. The other motor of development in Morocco was microcredit, which had grown in importance and contributed considerably to the financing of microprojects. According to professional estimates, total microcredit in 2007 had exceeded 5.6 million dirhams. Over 1.35 million active clients — 64 per cent of them women — had been helped.

44. Morocco was fully involved in South-South cooperation. The King of Morocco had initiated a number of development projects in the course of his many visits to sub-Saharan countries. Morocco had cancelled the debt of some of the least developed countries and exempted them from the payment of all tariffs. It had also transferred know-how and expertise, provided technical assistance in many areas and signed regional agreements on industrial and trade cooperation. It had also shared the experience gained from its National Human Development Initiative and hosted the first Conference on Human Development in Africa in April 2007.

45. Development objectives would be attained by implementing commitments undertaken to enable the countries of the South, particularly in Africa, to benefit from debt alleviation, investment growth and the mobilization of sufficient resources. Greater coordination and consistency were also required on the part of the various United Nations agencies, funds and programmes. His delegation therefore supported the Secretary-General's recommendation that a pragmatic plan of action should be adopted within the framework of the second United Nations Decade for the Eradication of Poverty.

46. **Mr. Tun** (Myanmar) said that poverty eradication was one of the greatest development challenges of the age, calling for multifaceted action in areas such as health, education, food, productive employment and decent work, gender equality and environmental protection. Some progress had been made. The World Bank estimated that, globally, poverty rates had fallen from 52 per cent in 1981 to 26 per cent in 2005. Progress was, however, uneven from one region to another. The development gap between the rich and the poor was more pronounced than in 1995 and many developing countries would find it difficult to meet all their MDGs. The number of people going hungry had risen to 1 billion, while another 2 billion were undernourished. What progress had been achieved was threatened by dwindling ODA and the impact of climate change, rising food and fuel prices and the global financial crisis.

47. In order to eradicate poverty, Myanmar had launched the National Development Plan, which focused on achieving balanced development by means

of economic growth and a narrowing of the gap between rural and urban areas. The Plan comprised three development programmes — the Border Areas Development Programme, the 24 Special Development Zones Plan and the Integrated Rural Development Plan — and would focus on education, health, energy, agricultural infrastructure and communication facilities, as well as human resources and technical and vocational training.

48. The Ministry of Progress of Border Areas, National Races and Development Affairs had been established in 1994 in order to strengthen the Border Areas Development Programme. The Ministry carried out projects not only to bridge the development gap between the heartland and the remote border areas but also to eliminate poppy cultivation in the latter by offering alternative activities. Its efforts were bearing fruit. Social and economic conditions had improved and illicit drug cultivation had diminished.

49. Myanmar had an abundance of arable land and 70 per cent of the population lived in rural areas. The promotion of rural development therefore not only ensured food self-sufficiency and contributed to poverty eradication but also furthered the development of the country as a whole. Agricultural productivity was being increased and education and health care improved in order to assist rural development. Conventional farming was being gradually mechanized in order to boost production and ease the life of farmers. The inclusive, integrated approach adopted in the National Development Plan had produced positive results. Myanmar expected to meet most of its MDG targets in health, education and access to safe drinking water. Many challenges remained, however. He called for more international cooperation and support to supplement the domestic resources on which development projects largely relied.

50. **Ms. Aitimova** (Kazakhstan), after welcoming the launch of the Second United Nations Decade for the Eradication of Poverty, said that progress in achieving the Millennium Development Goals was under threat from the financial, fuel and food crises and uncertainty over climate change. The current equilibrium might be upset, but new approaches to tackling the problem had not yet been adopted.

51. Kazakhstan had enjoyed rapid economic development in its 17 years of independence, thanks to reforms implemented in accordance with the country's long-term development priorities. The country had already attained the MDGs on poverty reduction and the eradication of extreme hunger, the provision of universal primary education, and gender equality and the empowerment of women. Kazakhstan had become a higher middle-income country, under the World Bank classification, with the gross domestic product (GDP) per capita increasing from US$ 700 to $5,100. Moreover, it had managed to attract more than $70 billion in foreign direct investment and had itself been increasingly investing abroad.

52. In 2004, Kazakhstan had achieved the goal of halving the number of people on incomes below the international minimum subsistence level. On completion of the 2003-2005 national poverty reduction programme, conducted jointly with the United Nations Development Programme (UNDP), the Government had decided that income inequality had fallen to the point where poverty was no longer a priority. Between 2000 and 2007, average salaries had increased 2.2 times, while employment had risen 23.7 per cent. Unemployment currently stood at 7.3 per cent.

53. In accordance with United Nations recommendations, the Government had adopted a range of measures to assist the public with employment opportunities, good affordable education and health-care services, increased direct aid for marginalized groups and other measures, which had been made possible by a mixed system of social protection for the most marginalized groups, including retired people, persons with disabilities and large low-income families. Social protection for families with children had been enhanced. In addition to existing benefits, a woman was entitled to supplementary benefits from a special social insurance fund during times of temporary unemployment before and after childbirth.

54. The poverty problem nonetheless remained pressing in Kazakhstan. At the end of 2007, 1.4 per cent of the population earned less than the minimum subsistence level and poverty levels were three times higher in rural than in urban areas. The situation might well be exacerbated by the recent financial crisis and volatile food and fuel prices. The Government had taken action to mitigate the consequences of those crises. It had stabilized internal prices and increased agricultural production. The 2008 harvest had beaten all records, with some 20 million tons of grain produced. The Government had also allocated

$15 billion, amounting to 15 per cent of GDP, to the Samruk-Kazyna National Welfare Fund to support the national financial securities market and provide liquid assets for private-sector organizations, including small and medium-sized enterprises.

55. Her Government would draw on the best foreign practices and technical assistance provided by United Nations specialized agencies in elaborating a people-orientated economic policy, encouraging the development of a socially responsible private sector and improving the public administration system.

56. **Mr. Singh** (India) said that the proclamation of the Second United Nations Decade for the Eradication of Poverty was no academic exercise. The benefits of concerted action taken during the First Decade were clear for all to see. Moreover, the First Decade had, together with the 2005 World Summit Outcome, succeeded in placing poverty eradication at the core of the United Nations development agenda. Useful measures would undoubtedly emerge from the forthcoming Follow-up International Conference on Financing for Development, the first major event of the Second Decade.

57. If the Millennium Development Goals were to be achieved, the international community must show greater enthusiasm in fulfilling its commitments. It should also help developing countries by creating a global economic environment that promoted growth and employment creation, while respecting the freedom of each country to formulate its own inclusive development strategies. Greater flexibility was required in international development regimes. In that context, the international financial architecture overseen by the United Nations was in urgent need of reform.

58. It was no accident that developed countries were also referred to as "industrialized": industrial development was a fundamental requirement for high economic growth, without which the eradication of poverty was impossible. Industrial development had been at the heart of India's development strategy. Such an approach was not possible for a large number of countries, however. Greater international support was required. A crucial question was how to integrate pro-poor growth strategies with appropriate industrial policies. In his delegation's view, industrialization must include support for small and medium-sized enterprises, since a dynamic private sector was the motor of industrialization, as noted in the report of the Director-General of UNIDO, transmitted by the Secretary-General (A/63/309). The report — which would have been more comprehensive if it had also examined the importance of the public sector — correctly emphasized barriers to trade as a key obstacle to industrial development. His delegation was concerned that demands by the developed countries, which ran counter to the principle of "less than full reciprocity" in the WTO trade negotiations on non-agricultural market access, might undermine the limited industrial progress made by developing countries.

59. Technology was also crucial for industrial development. His delegation urged developed countries to provide developing countries with access to advanced technologies on affordable terms as a part of international development cooperation. Meanwhile, UNIDO should continue to improve its capacity-building, technical cooperation and technology diffusion activities.

60. Although South-South and triangular cooperation could play a role in industrial development cooperation, it should not be forgotten that North-South cooperation remained of supreme importance for development. In that connection, he noted that much bilateral aid was earmarked for sectors or programmes chosen by the donors themselves. Such an approach was contrary to the core principle of national ownership and should be reversed as a matter of urgency.

61. **Ms. Gustava** (Mozambique) said that Mozambique was implementing its second Action Plan for the Reduction of Absolute Poverty for the period 2006-2009, which focused on economic development, human capital and governance, and also stressed the need to improve the business environment and the financial sector. The Plan outlined a strategy for achieving the country's own development goals in line with the Millennium Development Goals. Through implementation of the Plan, Mozambique had maintained a high level of economic growth and reduced the level of poverty. Progress had been achieved particularly in basic education, child mortality, maternal mortality and immunization. However, the country was still facing challenges in the areas of unemployment, food security and HIV/AIDS. The situation had been aggravated by the rise of fuel

and food prices combined with the impact of cyclical droughts and floods.

62. The actions of the international community during the Second United Nations Decade for the Eradication of Poverty should focus on ensuring that all people were able to live in peace and security; implementing pro-poor policies; ensuring access to resources, knowledge and skills; alleviating the debt burden of poor countries; establishing a fair and equitable trade system; increasing ODA from developed countries; supporting agricultural programmes in the developing countries; and promoting gender equality and productive employment. Her delegation concurred with the Secretary-General's recommendation that an overall action theme for the Second Decade should be adopted that would convey a sense of urgency towards implementing the commitments made to eradicate poverty and to halve poverty by 2015 (A/63/190, para. 52).

63. **Ms. Khriesat** (Jordan) said that at the midway point towards the target date for achievement of the MDGs, poverty remained the major obstacle to development and the greatest moral challenge faced by the world. People were not free to achieve their economic and social rights if they could not afford them. Her country had been a leader in facilitating foreign investment, establishing industrial and commercial zones, and concluding international free trade agreements. It had launched initiatives to provide microcredit to small and medium-sized enterprises — half of them run by women — and over the past few years, had allocated $1 billion to employment, training and anti-poverty programmes. She encouraged all Governments to create innovative new funding sources to encourage people to escape dependence on charity and become active contributors to development.

64. **Mr. Davide** (Philippines) said that the constitutional provisions and laws of the Philippines guaranteed a balance between human rights and the dignity of people living in poverty. The Constitution directed the State to promote a just and dynamic social order that provided adequate social services and promoted full employment, a rising standard of living and an improved quality of life for all, as well as social justice and human rights. The Bill of Rights guaranteed free access to the courts and quasi-judicial bodies and adequate legal assistance to everyone, including the poor. The judiciary had adopted an action programme for judicial reform that addressed six main areas, including access to justice by the poor.

65. The Second United Nations Decade for the Eradication of Poverty should likewise be based on a human rights perspective. The decent work agenda of the International Labour Organization was an important aspect of the effort to preserve the dignity of the poor. Before people could be gainfully employed, however, they needed to be assured of quality education, food security, health and shelter, among other things. The needs of the poor should be taken into account in the planning and implementation of poverty alleviation programmes. The contributions of women and youth in lifting themselves out of poverty should also be taken into account.

66. The Philippines was working to coordinate its poverty alleviation programmes through the Medium-term Philippine Development Plan, in consultation with the National Anti-Poverty Commission, which was the coordinating and advisory body for implementation of the Social Reform and Poverty Alleviation Act of 1998. Before the onset of the current global crises in the food, fuel, financial and environment sectors, the Philippines had been making some headway in the fight against poverty. All those gains towards meeting the Millennium Development Goals, however, had been jeopardized by the current crises, which affected all Member States. The Philippines supported the convening by the President of the General Assembly of an Interactive Panel on the Global Financial Crisis on 30 October and the establishment of a high-level task force to review the global financial system, as well as other proposals for international discussion, coordination and action.

67. *Mr. Torrington (Guyana), Vice-Chairperson, took the Chair.*

68. **Mr. Al-Hurabi** (Saudi Arabia) said that his country had launched several anti-poverty initiatives, including the Poverty Eradication Fund, which, in conjunction with private donors, financed loans and employment projects to assist needy families and help the unemployed become contributors to economic development. Its national poverty eradication strategy included increased social security benefits, funds for public housing, and financial support for charitable organizations and those in need. Even though it was itself a developing State, his country had provided over $84 billion in development assistance to other

countries over the past three decades, and also ranked second internationally in external remittances, which were such an indispensable source of foreign currency for developing countries. His country was a major contributor to the various United Nations agencies and other international and regional organizations that addressed issues of poverty and development.

69. **Mr. Zongo** (Burkina Faso), stressing the importance of internationally agreed initiatives such as the results of the 1995 World Summit for Social Development, the Millennium Development Goals and commitments in the area of finance for development, said that Burkina Faso was working to bring its poverty reduction strategies in line with the Millennium Development Goals. The United Nations and existing inter-agency mechanisms had a crucial role to play in the coordination of actions in support of the Second Decade.

70. **Ms. Zemene** (Ethiopia) said that the Second Decade should give fresh impetus to addressing Africa's development needs, bearing in mind the close link between poverty eradication and peace and security. Ethiopia was implementing its second five-year Plan for Accelerated and Sustained Development to End Poverty, which had helped to reduce the population living below the poverty line from 48 per cent in 1990 to about 34.6 per cent in 2006. Ethiopia's technical and vocational education programme had helped improve productive capacity, particularly in urban areas. Policies and regulations designed to attract foreign direct investment were facilitating the transfer of technology and the creation of a skilled workforce.

71. The transformation of the agriculture sector, encouragement of private initiatives for the development of small enterprises, and job creation were central to the Government's national poverty eradication efforts. Concerted and sustained efforts were needed to cement the gains achieved thus far and to fundamentally transform the Ethiopian economy. The goal of accelerating growth and development in a sustainable manner was at the core of the country's agenda in fighting poverty. The country was currently faced with the challenges posed by rising food prices, the need to keep the rate of inflation at the single-digit level, and the need to attract adequate foreign direct investment and predictable levels of ODA aligned with national development priorities. Her delegation wished to emphasize the importance of national ownership of poverty eradication strategies, as well as the coordination of efforts among development partners, including the United Nations system, at a time when the current global economic realities were not favourable to poor developing countries like Ethiopia.

72. **Mr. Ettura** (Israel) said that for the past 50 years, Israel had engaged in poverty eradication through the Mount Carmel Center and the Center for International Cooperation, which followed a demand-driven, grass-roots approach. The model proposed by Israel combined the dimensions of community empowerment, building a civil society that encompassed a network of NGOs, mapping and locating community resources, managing external investment and resources from external sources, promoting socio-economic development, developing services and programmes for actual needs and problems, and developing data channels to improve access to resources. Economic development must encompass the development of the physical and social infrastructure, including opportunities for fair employment, improvement of education, public health and adequate housing, using local human resources to ensure a strong and stable community.

The meeting rose at 1.05 p.m.